

- ❑ With your training manager, review the Out-of-Stock Adjustment Control Log. Discuss
  - ▶ Purpose of log
  - ▶ Location
  - ▶ Common errors
  - ▶ Solutions to errors
  - ▶ Correcting/maintaining
  - ▶ Sending
- ❑ Audit the Out-of-Stock Adjustment Control Log for several weeks.
  - ▶ Verify the situation with the appropriate section head.
  - ▶ Make any necessary changes.
  - ▶ Report your results to your training manager.

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## 2-16

- ## Notes

ALE Relief Assistant

**Assignment: Merchandise the Junior's and Young Men's sections.**

- ❑ Review the hanging and folding standards.
- ❑ Tour the area with your trainer to evaluation jeans presentation in the Junior's and Young Men's sections. Discuss:
  - ▶ Merchandise statement
  - ▶ Merchandise standards
  - ▶ Levi's sales and quantities allowed
  - ▶ Ordering keys
  - ▶ Hangers
  - ▶ Sizing/size tabs
- ❑ Work with the visual display person to set up the Junior's department based on the new merchandising bulletin. Consider
  - ▶ Fashion trends
  - ▶ Visual standards
  - ▶ Over rack
  - ▶ Mannequins

## Notes

[illegible]

Merchandising

## Review situations

1. Tomorrow's forecast calls for the first warm day in spring. What types of items would you merchandise?

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2. You think the signing on a display is incorrect. What reference would you use to ensure the correct signing?

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3. A Customer asks for an ad item that is temporarily out of stock. What would you do?

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4. You notice the Levi's have been picked over and need to be folded and recovered. Describe the proper folding/hanging technique for Levi's.

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Prerequisites

Getting Started

Merchandising

Merchandise and  
Inventory Control

Operations



## CHAPTER 3 MERCHANDISE AND INVENTORY CONTROL

Our goal is to have the products our Customers need while keeping inventories at a profitable level. The assignments in this chapter give you experience in monitoring inventory from the time it reaches the store to when it leaves.

Check off each assignment once all activities for that assignment are completed.

Chapter Assignments	Page
<input type="checkbox"/> Use MAGIC to ensure accurate inventories.	3-2
<input type="checkbox"/> Complete and follow up on Cosmetics orders.	3-3
<input type="checkbox"/> Follow an ALE shipment through the receiving process, into the stockroom, and out to the sales floor.	3-4
<input type="checkbox"/> Monitor and follow up on the Vendor Log.	3-5
<input type="checkbox"/> Monitor and manage inventory levels.	3-6
<input type="checkbox"/> Assist in the inventory process.	3-7



## Merchandise and Inventory Control

Assignment: Use MAGIC to ensure accurate inventories.

*MAGIC stands for **M**erchandise **A**nalysis for **G**rowth & **I**nventory **C**ontrol. The MAGIC system supports buying, merchandising, and allocation decisions as well as store operations functions. MAGIC is divided into modules that perform various functions throughout the company at stores, offices, and distribution centers.*

- ❑ With your training manager, explore the MAGIC screens used to:
  - ▶ Track the financial history of an item by SKU for current price and returns
  - ▶ Document intersection transfers
  - ▶ Order merchandise; track orders
  - ▶ Track inventories
  - ▶ Facilitate RMS merchandising
  - ▶ Inquire into vendor information
- ❑ Describe to your training manager how the following can be used to manage department inventories:
  - ▶ Family trees
  - ▶ Attribute groups
  - ▶ SKUs
  - ▶ UPLs
- ❑ Select a department best-selling item and use MI to track the pricing history of that item. Report the results of your inquiries to your training manager.
- ❑ Determine how the ALE relief assistant can use MAGIC to manage inventory levels throughout the department.

## Notes

[illegible]

ALE Relief Assistant

**Assignment: Complete and follow up on Cosmetics orders.**

Fred Meyer's is committed to being in stock on all basic merchandise at all times.

While the objective is to remain in stock, this must be done without becoming overstocked, which has a negative effect on the department's profits.

- ☐ Review the proactive ordering process with your trainer. Apply the processes and procedures to ordering cosmetics.
- ☐ Working with the Cosmetics sectionhead, review all orders to ensure they meet quality ordering standards. Make suggestions and changes where necessary.
- ☐ Assist the Cosmetics section head with ordering. Discuss
  - Basic merchandise and RMS
  - Ads, ad LOAMs
  - Special orders
  - Adjusting orders
  - MAGIC
  - Order points
  - Stock rotation
  - Overstocks
  - Out-of-stocks
  - UPLs, tags
  - Reasonable presentation
- ☐ Arrange to work with the RMA clerk to assist with receiving the order you have placed. Observe and assist with
  - Receiving procedures
  - Paperwork and online documentation
  - Pick labels
  - Verifying receiving to the order
  - Mis-picks
  - Accounting for discrepancies
- ☐ Report your experiences and recommendations for ordering to your training manager.



## Merchandise and Inventory Control

**Assignment: Follow an ALE shipment through the receiving process, into the stockroom, and out to the sales floor.**

- ☐ Review:
  - ▶ EAS tagging guidelines and procedures
  - ▶ Hanging and folding standards
  - ▶ Stockroom standards
  - ▶ Safety guidelines related to working in the back room and stocking freight
  - ▶ Freight delivery times
  - ▶ Security procedures for Watch/Bridge Jewelry and Accessories freight
- ☐ Spend at least eight hours processing freight with an experienced employee. Discuss processes for receiving and monitoring:
  - ▶ Product split as per buyer orders
  - ▶ Basic/RMS products
  - ▶ Product ordered at store level
- ☐ As you work with the experienced employee, distribute product according to
  - ▶ Stock set for the sales floor
  - ▶ Product hung and tagged
  - ▶ Product to be folded
  - ▶ Back stock stored in established locations in the stock room
- ☐ As you work, tag EAS products appropriately.
- ☐ Move product onto the sales floor to appropriate displays. Ensure
  - ▶ Signing and tagging standards
  - ▶ Visual display standards
  - ▶ Items are merchandised per weekly bulletin
- ☐ Report your experiences to your training manager. Discuss
  - ▶ What you learned and any recommendations for greater efficiency
  - ▶ Scheduling for freight days
  - ▶ Safety issues and precautions taken to prevent injuries
  - ▶ Responsibilities of the Relief Assistant

- ☐ Locate the Vendor Log and review it with your trainer. Discuss
  - ▶ Requirements for all vendors to sign in and out when working on the sales floor
  - ▶ Store personnel responsibilities
  - ▶ Steps to take if a vendor fails to sign in
- ☐ Take responsibility during your training to monitor and follow up on the Vendor Log.

## Notes

## Management and Inventory Control

## Merchandise and Inventory Control

**Assignment: Monitor and manage inventory levels.**

- ☐ Tour the Men's section with your training manager, assessing inventory levels. Discuss
  - ▶ Floor stock
  - ▶ Backstock
  - ▶ Sales trends in each area
  - ▶ Inventory turns: how often, how much
  - ▶ Estimated inventory levels to meet sales needs while not incurring overstocks
- ☐ Audit stock levels of RMS items in Cosmetics to ensure appropriate inventory levels.
  - ▶ Research RMS updates
  - ▶ Identify and research out-of-stock items
  - ▶ Identify slow-moving inventories that tend to be overstocked
  - ▶ Identify areas of high shrink.
- ☐ With your training manager, identify an RMS item whose order amounts need to be changed.
  - ▶ Recommend the revised amount
  - ▶ Research information needed to submit a Request for Change (REQ).
  - ▶ Work with the replenishment analyst to agree upon a course of action.
  - ▶ Submit an REQ.
  - ▶ Follow up to be sure the revised order amounts are the best inventory decision.
- ☐ Research the inventory history of a slow moving product. Using MAGIC MI, evaluate
  - ▶ Margins
  - ▶ Price changes (markdowns, TPRs, mark-up cancellations)
  - ▶ Sell through
  - ▶ Inventory turns
  - ▶ Use RMSREQ to change order points (as needed)
- ☐ Report your results to your training manager. Together, determine the impact on department profits.
  - ▶ Brainstorm what could have been done to better maximize profits.
  - ▶ Implement possible solutions.
- ☐ Discuss with your training manager when it is appropriate to contact regional management to help correct stock levels.

Physical inventories are necessary to determine the overall profitability of the department's operation.

- Developing an inventory plan: map & supplies
- Countdown calendar
- Prep work
- Scheduling an inventory
- Inventory service
- Processing inventory paperwork
- Miscounts
- How to handle receiving/transfers
- File maintenance's role
- Paperwork errors
- Merchandise not accounted for
- Inventory audits

*If an inventory is not scheduled while you are working through this training program, walk through the steps with your training manager.*

- ▶ Draw a portion of the map.
- ▶ Help create the countdown schedule.
- ▶ Help prepare the sales floor for inventory.

- ☐ Audit the inventory, ensuring accuracy. Discuss discrepancies with your training manager and, if applicable, the inventory service.

[illegible]

Merchandise and Inventory Control

Merchandise and Inventory Control Training



Prerequisites

Getting Started

Merchandising

Merchandise and  
Inventory Control

Operations

*MJ Exhibit 18*

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## CHAPTER 4 OPERATIONS

Management has many daily tasks that keep the business running. In this chapter, you will work through jobs that will give you skills to meet business needs and ensure profitability.

Check off each assignment once all activities for that assignment are completed.

Chapter Assignment	Page
<input type="checkbox"/> Write and follow up on daily tours.	4-2
<input type="checkbox"/> Process physical and electronic mail.	4-4
<input type="checkbox"/> Audit, correct, and file daily and weekly time and attendance reports.	4-5
<input type="checkbox"/> Order supplies.	4-6
<input type="checkbox"/> Ensure compliance with housekeeping, maintenance, and safety standards.	4-7
<input type="checkbox"/> Audit the cashier proficiency reports.	4-8
<input type="checkbox"/> Communicate an understanding of CSR, Wage & Hour, Weekly Sales, and Scan Sales reports.	4-9